

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF NICHOLAS COUNTY)	2015-00276
WATER DISTRICT		

ORDER

On September 8, 2015, Nicholas County Water District (“Nicholas County”) filed an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Nicholas County purchases water from the city of Carlisle (“Carlisle”), Buffalo Trail Water Association (“Buffalo Trail”), Western Fleming County Water District (“Western Fleming”), and the Kentucky American Water Company (“Kentucky American”).

2. On October 27, 2014, Western Fleming increased its wholesale water rate to Nicholas County from \$1.43 per 1,000 gallons to \$1.63 per 1,000 gallons.² Nicholas County proposed to increase its water rates to reflect the increased cost of purchased water effective September 1, 2015.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2014-00048, *Application of Western Fleming County Water District for Rate Adjustment for Small Utilities Pursuant to 807 KAR 5:076* (Ky. PSC Oct. 27, 2014).

3. During the 12 months ended May 31, 2015, Nicholas County purchased 130,431,176 gallons of water, 92,301,900 of which were purchased from Western Fleming, and sold 95,189,380 gallons of water. The increase in the cost of purchased water is \$18,460.38, resulting in a purchased water adjustment factor of \$0.20 per 1,000 gallons.

4. In its application, Nicholas County incorrectly calculated the increased cost in purchased water and the resulting purchased water adjustment factor.

5. The purchased water adjustment factor of \$0.20 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. The rates as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered on and after September 1, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.20 per 1,000 gallons is approved.

2. Nicholas County's proposed rates are denied.

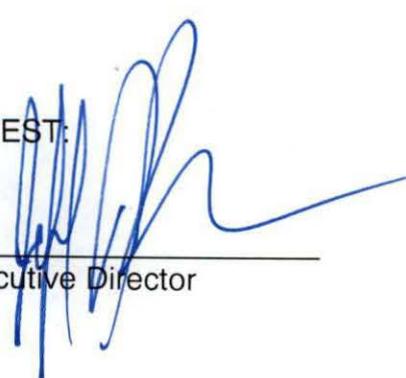
3. The rates set forth in Appendix B to this Order are approved for services rendered by Nicholas County on and after September 1, 2015.

4. Within 20 days of the date of this Order, Nicholas County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED
OCT 05 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00276 DATED **OCT 05 2015**

	New Rate	Base Rate
Western Fleming		
Purchases in gallons	92,301,900	92,301,900
Volumetric rate	<u>\$ 1.63/1,000</u>	<u>\$1.43/1,000</u>
	\$150,452.10	\$131,991.72
Buffalo Trail		
Purchases in gallons	23,340	23,340
Volumetric rate	<u>No change</u>	<u>No change</u>
Kentucky American		
Purchases in gallons	110,936	110,936
Volumetric rate	<u>No change</u>	<u>No change</u>
Carlisle		
Purchases in gallons	37,995,000	37,995,000
Volumetric rate	<u>No change</u>	<u>No change</u>

Increased water cost \$18,460.38

Increased water cost	\$ 18,460.38
Divided by gallons sold/1,000	<u>95,189,380</u>
Purchased water adjustment factor	\$ 0.1939
	or \$ 0.20 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00276 DATED **OCT 05 2015**

The following rates and charges are prescribed for the customers in the area served by Nicholas County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- x 3/4-Inch Meter

First	1,000 Gallons	\$ 14.62	Minimum Bill
Next	2,000 Gallons	6.95	Per 1,000 Gallons
Next	2,000 Gallons	5.70	Per 1,000 Gallons
Next	5,000 Gallons	4.55	Per 1,000 Gallons
Next	15,000 Gallons	4.10	Per 1,000 Gallons
Over	25,000 Gallons	3.87	Per 1,000 Gallons

1-Inch Meter

First	3,000 Gallons	\$ 28.52	Minimum Bill
Next	2,000 Gallons	5.70	Per 1,000 Gallons
Next	5,000 Gallons	4.55	Per 1,000 Gallons
Next	15,000 Gallons	4.10	Per 1,000 Gallons
Over	25,000 Gallons	3.87	Per 1,000 Gallons

1 1/2-Inch Meter

First	5,000 Gallons	\$ 39.92	Minimum Bill
Next	5,000 Gallons	4.55	Per 1,000 Gallons
Next	15,000 Gallons	4.10	Per 1,000 Gallons
Over	25,000 Gallons	3.87	Per 1,000 Gallons

2-Inch Meter

First	10,000 Gallons	\$ 62.67	Minimum Bill
Next	15,000 Gallons	4.10	Per 1,000 Gallons
Over	25,000 Gallons	3.87	Per 1,000 Gallons

3-Inch Meter

First	15,000 Gallons	\$ 83.17	Minimum Bill
Next	10,000 Gallons	4.10	Per 1,000 Gallons
Over	25,000 Gallons	3.87	Per 1,000 Gallons

4-Inch Meter
First 25,000 Gallons
Over 25,000 Gallons

\$ 124.17 Minimum Bill
3.87 Per 1,000 Gallons

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